IFAC

IFAC is the global organization for the accountancy profession dedicated to serving the public interest by strengthening the profession and contributing to the development of strong international economies. IFAC is comprised of over 180 members and associates in more than 130 countries and jurisdictions, representing more than 3 million accountants in public practice, education, government service, industry, and commerce.

More information: www.ifac.org

ABOUT THE ASSOCIATION OF INTERNATIONAL CERTIFIED PROFESSIONAL ACCOUNTANTS

The Association of International Certified Professional Accountants (the Association) is the most influential body of professional accountants, combining the strengths of the American Institute of CPAs (AICPA) and The Chartered Institute of Management Accountants (CIMA) to power trust, opportunity and prosperity for people, businesses and economies worldwide. It represents 650,000 members and students across 179 countries and territories in public and management accounting, and advocates for the public interest and business sustainability on current and emerging issues. With broad reach, rigor and resources, the Association advances the reputation, employability and quality of CPAs, CGMAs and accounting and finance professionals globally.

More information: www.aicpa.org

ABOUT AUDIT ANALYTICS

Audit Analytics is the leading independent research and data provider of audit, regulatory, and disclosure intelligence. Founded in 2003, Audit Analytics offer 70+ comprehensive databases of normalized qualitative data available through an easy-to-use interface. With an unprecedented level of accuracy, Audit Analytics collects, organizes and analyzes data with rigor by an expert team of researchers.

More information: www.auditanalytics.com
Corporate reporting is changing. Quickly. Yesterday’s focus on financial statements is giving way to an integrated approach to financial information, ESG or sustainability information, and broader non-financial information. In particular, investors and other stakeholders are increasingly demanding high-quality sustainability information, and reporting entities are looking to—and in many cases are being required to—provide it. As a result, corporate boards must assume their rightful role in prioritizing and overseeing the collection and reporting of sustainability information, and obtaining robust assurance over the sustainability information is essential to ensure that it is high quality.

IFAC and the AICPA & CIMA embarked on this global benchmarking study, in partnership with Audit Analytics, to better understand the extent to which companies are reporting and obtaining assurance over their sustainability disclosures, which assurance standards are being used, and which companies are providing the assurance service. In short, the data shows a situation that is still evolving, with significant differences in practices across different jurisdictions.

The lack of consistent standards for reporting sustainability information is mirrored in the types and providers of assurance. In the last year, significant progress has been made towards harmonizing and rationalizing a system for sustainability reporting, such as the IFRS Foundation initiative to establish a new board focused on sustainability standards. There is also important work underway in a number of jurisdictions worldwide. The proposed Corporate Sustainability Reporting Directive in the European Union, as well as potential action in the United States and elsewhere, demonstrate the sea change underway with respect to sustainability information. Assurance practice needs to mature alongside the reporting.

As it stands, around half of companies reviewed are publishing sustainability information that is subject to any assurance. For those that do obtain assurance, it is often being provided by consultants or others, and not by independent professional accountants who possess the unique combination of skills, qualifications, experience, and the professional ethical obligation to act in the public interest. It is precisely this combination of professional requirements that leads to meaningful assurance, which brings trust and confidence to sustainability information. If the status quo was ever acceptable, it certainly is not now.

With investors increasingly incorporating sustainability matters into their asset allocation decisions, low-quality sustainability assurance is presenting a significant, global investor protection issue. The International Organization of Securities Commissions (IOSCO) is leading the way to understand the potential ramifications for investors. Further, with the Financial Stability Board (FSB) and the Network for Greening the Financial System (NGFS) articulating the link between climate risk and financial stability, low-quality sustainability assurance is emerging as a financial stability risk as well.

The accounting profession, with our strong ethical foundation, robust qualifications framework, and extensive skills and experience in generating and assuring decision-useful information, is best placed to deliver on this emerging need. It is incumbent on professional accountancy organizations, audit firms, and individual professional accountants to rise to the occasion and meet it.

In a world where reliable sustainability information is becoming as important as financial information, we simply cannot leave it up to chance.

Kevin Dancey
Chief Executive Officer, IFAC

Susan S. Coffey, CPA, CGMA
Chief Executive Officer – Public Accounting
## CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>MAPPING GLOBAL PRACTICES</td>
<td>5</td>
</tr>
<tr>
<td>REPORTING</td>
<td>8</td>
</tr>
<tr>
<td>ASSURANCE</td>
<td>13</td>
</tr>
<tr>
<td>INDUSTRY ANALYSIS</td>
<td>20</td>
</tr>
<tr>
<td>JURISDICTION PROFILES</td>
<td>23</td>
</tr>
<tr>
<td>METHODOLOGY</td>
<td>47</td>
</tr>
</tbody>
</table>
This benchmarking study was designed to understand current market practice for the assurance of environmental, social, and governance (ESG or sustainability) information, globally. 1400 companies across twenty-two jurisdictions were reviewed. Companies were selected based on largest market capitalization as of March 2021, and attributed to jurisdictions based on the location of the company’s headquarters. 100 companies were examined for the six largest jurisdictions (based on GDP, identified with an asterisk) and 50 companies were examined for sixteen additional jurisdictions.

<table>
<thead>
<tr>
<th>Americas</th>
<th>Europe, Middle East, and Africa (EMEA)</th>
<th>Asia-Pacific</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Argentina</td>
<td>• France</td>
<td>• Australia</td>
</tr>
<tr>
<td>• Brazil</td>
<td>• Germany*</td>
<td>• China* (Mainland, ex-HK)</td>
</tr>
<tr>
<td>• Canada</td>
<td>• Italy</td>
<td>• Hong Kong S.A.R. (China)</td>
</tr>
<tr>
<td>• Mexico</td>
<td>• Russia</td>
<td>• India*</td>
</tr>
<tr>
<td>• United States of America*</td>
<td>• Saudi Arabia</td>
<td>• Indonesia</td>
</tr>
<tr>
<td></td>
<td>• South Africa</td>
<td>• Japan*</td>
</tr>
<tr>
<td></td>
<td>• Spain</td>
<td>• Singapore</td>
</tr>
<tr>
<td></td>
<td>• Turkey</td>
<td>• South Korea</td>
</tr>
</tbody>
</table>

Our analysis indicates that while the frequency of reporting ESG information is high, the incidence of assurance is not and there are meaningful differences in reporting and assurance practices between the jurisdictions included in this study.

**KEY FINDINGS**

- **91%** of companies reviewed report some level of sustainability information
- **51%** of companies that report sustainability information provide some level of assurance on it
- **63%** of these assurance engagements were conducted by Audit or Audit-Affiliated Firms
- **88%** of assurance engagements employing an Audit Firm made use of the International Standard on Assurance Engagements 3000 (Revised), while other service providers often rely on alternative assurance standards
- **83%** of all assurance engagements result in limited assurance reports
- **There are significant differences across jurisdictions**
REPORTING
**REPORTING**

**METHOD OF ESG REPORTING**

Method of ESG disclosure is based on the type of report vs. the total number of companies in the analysis.

Some companies may report corporate social responsibility (CSR), sustainability, or environmental, social and governance (ESG) information in more than one report (for the sake of simplicity, this study will use these terms interchangeably). Only one report is considered per company. A hierarchy was used to determine report method for companies with multiple reports. See Methodology for more detail.

91% Disclose ESG Data

1,269 of 1,400 companies reported ESG data

- **Sustainability Report**: 91%
- **Annual Report**: 16%
- **Integrated Report**: 18%
- **No Report**: 57%

**METHOD OF ESG REPORTING BY JURISDICTION**

[Bar chart showing reporting methods for various countries and regions, with AMERICAS, EUROPEAN UNION, OTHER EMEA, and ASIA-PACIFIC regions, and specific countries like Argentina, Brazil, Mexico, USA, Canada, Germany, Spain, Russia, Saudi Arabia, Turkey, China, India, Japan, South Korea, Australia, Hong Kong, Indonesia, Singapore, etc.]

91% AVERAGE
89% AVERAGE (ex. EU)
ESG REPORTING FRAMEWORK/STANDARD

The percentage of ESG reporting framework/standard is calculated as the number of reports that disclose the use of a specific framework/standard vs. the total number of reports that include ESG information (1,269). The sum of the percentages indicated exceeds 100% because most companies use more than one framework/standard for reporting purposes. For example, many companies that use the Global Reporting Initiative (GRI) criteria also use the United Nation’s Sustainable Development Goals (SDG) as a reporting framework for specific topics.

<table>
<thead>
<tr>
<th>Framework/Standard</th>
<th>Only Standard</th>
<th>Total References</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI Global Reporting Initiative</td>
<td>7%</td>
<td>69%</td>
</tr>
<tr>
<td>SASB Sustainability Accounting Standards Board</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>SDG United Nations Sustainable Development Goals</td>
<td>6%</td>
<td>62%</td>
</tr>
<tr>
<td>TCFD Task Force on Climate-related Financial Disclosures</td>
<td>1%</td>
<td>24%</td>
</tr>
<tr>
<td>UNGC United Nations Global Compact</td>
<td>12%</td>
<td></td>
</tr>
<tr>
<td>OTHER</td>
<td>4%</td>
<td>35%</td>
</tr>
<tr>
<td>MULTIPLE</td>
<td></td>
<td>68%</td>
</tr>
</tbody>
</table>

OTHER includes disclosure compliant with CDP, Stock Exchange Listing Requirements, etc.

The single-digit percentages at the left identify instances where there is only one standard referenced in a company’s reporting; the right-most percentage identifies total references for each standard.

REPORTING FRAMEWORK / STANDARD BY REPORTING METHOD

<table>
<thead>
<tr>
<th>Reporting Method</th>
<th>GRI</th>
<th>SASB</th>
<th>SDG</th>
<th>TCFD</th>
<th>UNGC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Report</td>
<td>40%</td>
<td>16%</td>
<td>16%</td>
<td>16%</td>
<td>6%</td>
</tr>
<tr>
<td>Integrated Report</td>
<td>78%</td>
<td>18%</td>
<td>38%</td>
<td>24%</td>
<td>12%</td>
</tr>
<tr>
<td>Sustainability Report</td>
<td>75%</td>
<td>4%</td>
<td>65%</td>
<td>34%</td>
<td>17%</td>
</tr>
</tbody>
</table>
USE OF THE GLOBAL REPORTING INITIATIVE (GRI) STANDARDS

The percentage of ESG reporting framework/standard is calculated as the number of ESG reports that disclosed the use of a framework/standard vs. the total number of ESG reports.

USE OF THE SASB STANDARDS
USE OF THE SDG, TCFD, AND UNGC FRAMEWORKS

The UN SDGs and UNGC are included in this analysis due to the frequency with which they are cited by reporting companies on a global level.

REPORTING

NO REPORTING FRAMEWORK/STANDARD REFERENCED
ASSURANCE
Percentage of assurance is based on the number of companies that provided assurance over reported ESG information (645) vs. the total number of companies that reported ESG information (1269). If a company provided more than one assurance report (i.e., there were multiple metrics/information individually verified), that company is only counted once. For example, if a company included five separate assurance reports in their ESG disclosures, it was counted as one ESG report and one assurance report for the purposes of this calculation.

Reviews, verification statements, and other similar items were not counted as assurance reports.

Most assurance reports do not cover all reported information.

### ASSURED ESG INFORMATION BY JURISDICTION

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Have Assurance</th>
<th>No Assurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMERICAS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ARGENTINA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BRAZIL</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CANADA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MEXICO</td>
<td></td>
<td></td>
</tr>
<tr>
<td>USA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>UNITED KINGDOM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FRANCE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ITALY</td>
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<td></td>
</tr>
<tr>
<td>SPAIN</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RUSSIA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SAUDI ARABIA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TURKEY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SOUTH AFRICA</td>
<td></td>
<td></td>
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<tr>
<td>AUSTRALIA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HONG KONG</td>
<td></td>
<td></td>
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<tr>
<td>INDIA</td>
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<tr>
<td>JAPAN</td>
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<td></td>
</tr>
<tr>
<td>SOUTH KOREA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ASIA-PACIFIC</td>
<td></td>
<td></td>
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<tr>
<td>CHINA</td>
<td></td>
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</tr>
<tr>
<td>INDONESIA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SINGAPORE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EUROPEAN UNION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>UNITED KINGDOM</td>
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<td></td>
</tr>
<tr>
<td>FRANCE</td>
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<tr>
<td>ITALY</td>
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<tr>
<td>SPAIN</td>
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<tr>
<td>RUSSIA</td>
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<tr>
<td>SAUDI ARABIA</td>
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<tr>
<td>TURKEY</td>
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<td></td>
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<tr>
<td>SOUTH AFRICA</td>
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<tr>
<td>AUSTRALIA</td>
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<tr>
<td>HONG KONG</td>
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<tr>
<td>INDIA</td>
<td></td>
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</tr>
<tr>
<td>JAPAN</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SOUTH KOREA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OTHER EMEA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ASIA-PACIFIC</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CHINA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>INDONESIA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SINGAPORE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ASIA-PACIFIC</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CHINA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>INDONESIA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SINGAPORE</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**51%** obtained assurance (44% excluding EU)
ASSURANCE

TYPE OF FIRM PROVIDING ASSURANCE

Assurance provider is calculated as the number of assurance reports signed by firm type vs. the total number of assurance reports.

An Affiliated Firm is an independent entity that is associated with a separate audit firm (typically the audit firm member of a global network).

Type of Firm Providing Assurance

<table>
<thead>
<tr>
<th>Audit Firm</th>
<th>Affiliated Firm</th>
<th>Other Service Providers</th>
</tr>
</thead>
<tbody>
<tr>
<td>58%</td>
<td>5%</td>
<td>37%</td>
</tr>
</tbody>
</table>

of 704 distinct assurance reports that provide assurance for 645 companies that disclose ESG data.

TYPE OF FIRM PROVIDING ASSURANCE BY JURISDICTION
Level of assurance is calculated as the number of assurance reports citing a specific level of assurance vs. the total number of assurance reports per firm type.

Of 704 distinct assurance reports that provide assurance for 645 companies that disclose ESG data

**LEVEL OF ASSURANCE BY JURISDICTION**

In some jurisdictions (e.g., South Korea), there is a common practice of publishing certain metrics (e.g., GHG) in a separate assurance report which receives reasonable assurance, while the majority of ESG information is published in the primary ESG assurance report, which receives either limited or moderate assurance.

All “moderate” assurance reports were signed by other service providers. Moderate assurance was most common in South Korea. Twenty-eight (28) of the thirty-six moderate assurance reports were issued for South Korean companies. Only one company outside of Asia received a moderate-level assurance.

Level of assurance is calculated as the number of assurance reports citing a specific level of assurance vs. the total number of assurance reports per jurisdiction.

Twenty-four (24) assurance reports provided reasonable assurance on a small number of select disclosure items. These were included as limited assurance because the majority of the assurance was on a limited basis. Ten (10) of these companies were in France, seven (7) were in South Africa, and two (2) were in the United Kingdom. One (1) was in Argentina, Australia, Canada, Hong Kong, and South Korea, each.
Assurance standards cited is calculated as the number of assurance standard references vs. the total number of assurance reports (704). More than one assurance standard may be cited in the same assurance report. For example, ISAE 3410 is often accompanied by ISAE 3000.

The use of ISAE 3000 and ISAE 3410 by Affiliated Firms primarily occurs in Japan.

National 3000 refers to instances where ISAE 3000 has been adopted through a localized domestic standard.

In the USA, “Other” refers to the AICPA Attestation Standards.

88% of assurance engagements employing an Audit Firm made use of the International Standard on Assurance Engagements 3000 (Revised), while other service providers often rely on alternative assurance standards.
USE OF ISAE 3000 BY ASSURANCE FIRM TYPE ACROSS DIFFERENT JURISDICTIONS

The percentage of assurance firms that use ISAE 3000 is calculated as the number of assurance reports that reference ISAE 3000 vs. the total number of assurance reports (704).
OTHER SERVICE PROVIDERS’ USE OF ISAE 3000

This percentage demonstrates how other service providers reference their use of ISAE 3000. This is calculated by the number of assurance reports using specific terms vs. the total number of assurance reports that reference ISAE 3000 and are signed by other service providers. This occurred in twelve (12) jurisdictions. “Other” includes references to ISAE 3000 in various ways, including “incorporated,” “applied,” “used to conduct,” “commensurate,” “including,” and “utilized the same verification principles.” Several reference ISAE 3000 with no additional context.

of the 87 assurance reports by Other Service Providers using ISAE 3000

- In Accordance
- Based On
- Other

Bar chart showing the distribution of assurance reports by country, with bars divided into three sections for In Accordance, Based On, and Other.
INDUSTRY ANALYSIS
INDUSTRY ANALYSIS

METHOD OF ESG REPORTING BY INDUSTRY

Method of ESG disclosure is based on the type of report vs. the total number of companies in the analysis (1400).

ESG REPORTING FRAMEWORK/STANDARDS BY INDUSTRY

The percentage of ESG reporting framework/standard is calculated as the number of reports that disclose the use of a specific framework/standard vs. the total number of reports that include ESG information (1269). The total percentage of frameworks/standards will be greater than 100% because a company might use more than one framework/standard for reporting purposes.
### Industry Analysis

#### Percentage of Assurance by Industry

Percentage of assurance is based on the number of companies that received assurance reports vs. the total number of unique reports (704). This excludes companies that do not issue ESG reports.

<table>
<thead>
<tr>
<th>Industry</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Materials</td>
<td>65%</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>62%</td>
</tr>
<tr>
<td>Financial</td>
<td>54%</td>
</tr>
<tr>
<td>Energy</td>
<td>52%</td>
</tr>
<tr>
<td>Industrial</td>
<td>51%</td>
</tr>
<tr>
<td>Health Care</td>
<td>48%</td>
</tr>
<tr>
<td>Consumer Staples</td>
<td>46%</td>
</tr>
<tr>
<td>Utilities</td>
<td>46%</td>
</tr>
<tr>
<td>Technology</td>
<td>45%</td>
</tr>
<tr>
<td>Consumer Discretionary</td>
<td>45%</td>
</tr>
<tr>
<td>Real Estate</td>
<td>37%</td>
</tr>
</tbody>
</table>
JURISDICTION PROFILES
52% (26) of the 50 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

<table>
<thead>
<tr>
<th>Framework/Standard</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI</td>
<td>100%</td>
</tr>
<tr>
<td>SASB</td>
<td>15%</td>
</tr>
<tr>
<td>SDG</td>
<td>69%</td>
</tr>
<tr>
<td>TCFD</td>
<td>8%</td>
</tr>
<tr>
<td>UNGC</td>
<td>12%</td>
</tr>
<tr>
<td>Other</td>
<td>27%</td>
</tr>
</tbody>
</table>

Of the 26 companies that provided ESG Disclosures, 31% (8) received assurance as follows:

<table>
<thead>
<tr>
<th>Assurance Type</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Limited Assurance</td>
<td>100%</td>
</tr>
<tr>
<td>Reasonable Assurance</td>
<td>0</td>
</tr>
<tr>
<td>Moderate Assurance</td>
<td>0</td>
</tr>
<tr>
<td>Not Disclosed</td>
<td>0</td>
</tr>
</tbody>
</table>

Assurance was provided through 9 unique assurance reports, assured as follows:

<table>
<thead>
<tr>
<th>Assurance Standard</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>ISAE 3000</td>
<td>100%</td>
</tr>
<tr>
<td>ISAE 3410</td>
<td>0</td>
</tr>
<tr>
<td>National 3000</td>
<td>0</td>
</tr>
<tr>
<td>AA 1000AS</td>
<td>33%</td>
</tr>
<tr>
<td>ISO 14064-3</td>
<td>56%</td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
</tr>
</tbody>
</table>
100% (50) of the 50 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- **GRI**: 70%
- **SASB**: 4%
- **SDG**: 62%
- **TCFD**: 54%
- **UNGC**: 4%
- **Other**: 40%

Of the 50 companies that provided ESG Disclosures, 56% (28) received assurance as follows:

- **Limited Assurance**: 100%
- **Reasonable Assurance**: 0%
- **Moderate Assurance**: 0%
- **Not Disclosed**: 0%

Assurance was provided through 28 unique assurance reports, assured as follows:

- **Audit Firm**: 100%
- **Affiliated Firm**: 0%
- **Other Service Provider**: 0%

**ASSURANCE STANDARD**

- **ISAE 3000**: 32%
- **ISAE 3410**: 11%
- **National 3000**: 68%
- **AA 1000AS**: 4%
- **ISO 14064-3**: Other
90% (45) of the 50 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- GRI: 93%
- SASB: 13%
- SDG: 82%
- TCFD: 18%
- UNGC: 4%
- Other: 7%

Of the 45 companies that provided ESG Disclosures, 53% (24) received assurance as follows:

- Limited Assurance: 88%
- Reasonable Assurance: 0%
- Moderate Assurance: 4%
- Not Disclosed: 8%

Assurance was provided through 25 unique assurance reports, assured as follows:

- Audit Firm: 72%
- Affiliated Firm: 4%
- Other Service Provider: 24%

Assurance Standards:

- ISAE 3000: 88%
- ISAE 3410: 64%
- National 3000: 8%
- AA 1000AS: 8%
- ISO 14064-3: 4%
94% (47) of the 50 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- GRI: 72%
- SASB: 62%
- SDG: 55%
- TCFD: 60%
- UNGC: 15%
- Other: 34%

Of the 47 companies that provided ESG Disclosures, 45% (21) received assurance as follows:

- Limited Assurance: 92%
- Reasonable Assurance: 8%
- Moderate Assurance: 0%
- Not Disclosed: 0%

Assurance was provided through 24 unique assurance reports, assured as follows:

- Audit Firm: 75%
- Affiliated Firm: 0%
- Other Service Provider: 25%

The assurance standards included:

- ISAE 3000: 58%
- ISAE 3410: 33%
- National 3000: 33%
- AA 1000AS: 33%
- ISO 14064-3: 4%
79% (79) of the 100 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- **GRI**: 54%
- **SASB**: 1%
- **SDG**: 32%
- **TCFD**: 5%
- **UNGC**: 3%
- **Other**: 76%

Of the 79 companies that provided ESG Disclosures, 28% (22) received assurance as follows:

- **Limited Assurance**: 73%
- **Reasonable Assurance**: 9%
- **Moderate Assurance**: 18%
- **Not Disclosed**: 0%

Assurance was provided through 22 unique assurance reports, assured as follows:

- **Audit Firm**: 59%
- **Affiliated Firm**: 0%
- **Other Service Provider**: 41%

**ASSURANCE STANDARD**

- **ISAE 3000**: 64%
- **ISAE 3410**: 5%
- **National 3000**: 0%
- **AA 1000AS**: 27%
- **ISO 14064-3**: Other
100% (50) of the 50 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- GRI: 60%
- SASB: 12%
- SDG: 66%
- TCFD: 42%
- UNGC: 12%
- Other: 22%

Of the 50 companies that provided ESG Disclosures, 96% (48) received assurance as follows:

- Limited Assurance: 90%
- Reasonable Assurance: 10%
- Moderate Assurance: 0%
- Not Disclosed: 0%

Assurance was provided through 52 unique assurance reports, assured as follows:

- Audit Firm: 98%
- Affiliated Firm: 0%
- Other Service Provider: 2%

Assurance Standards:
- ISAE 3000: 2%
- ISAE 3410: 2%
- National 3000: 0%
- AA 1000AS: 0%
- ISO 14064-3: 0%
94% (94) of the 100 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- GRI: 82%
- SASB: 9%
- SDG: 60%
- TCFD: 27%
- UNGC: 24%
- Other: 24%

Of the 94 companies that provided ESG Disclosures, 63% (59) received assurance as follows:

- Limited Assurance: 63%
- Reasonable Assurance: 3%
- Moderate Assurance: 0%
- Not Disclosed: 3%
- Not Assured: 37%

Assurance was provided through 64 unique assurance reports, assured as follows:

- GRI: 94%
- SASB: 0%
- SDG: 6%

Assurance Provider - Type of Firm:
- Audit Firm: 94%
- Affiliated Firm: 0%
- Other Service Provider: 6%

Assurance Standard:
- ISAE 3000: 5%
- ISAE 3410: 2%
- National 3000: 5%
- AA 1000AS: 3%
- ISO 14064-3: 2%
100% (50) of the 50 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- **GRI**: 62%
- **SASB**: 0%
- **SDG**: 56%
- **TCFD**: 8%
- **UNGC**: 10%
- **Other**: 86%

Of the 50 companies that provided ESG Disclosures, 26% (13) received assurance as follows:

- **Limited Assurance**: 38%
- **Reasonable Assurance**: 46%
- **Moderate Assurance**: 16%
- **Not Disclosed**: 0%

Assurance was provided through 13 unique assurance reports, assured as follows:

- **Audit Firm**: 23%
- **Affiliated Firm**: 0%
- **Other Service Provider**: 77%

**ASSURANCE STANDARDS**

- **ISAE 3000**: 85%
- **ISAE 3410**: 23%
- **National 3000**: 0%
- **AA 1000AS**: 15%
- **ISO 14064-3**: Other

**METHOD OF ESG DISCLOSURE**

- **Region: ASIA-PACIFIC**
  - 100% Disclose ESG Data
  - 84% Sustainability Report
  - 14% Annual Report
  - 2% Integrated Report
  - 0% No Report
98% (98) of the 100 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- GRI: 47%
- SASB: 3%
- SDG: 39%
- TCFD: 4%
- UNGC: 13%
- Other: 29%

Of the 98 companies that provided ESG Disclosures, 38% (37) received assurance as follows:

- Limited Assurance: 84%
- Reasonable Assurance: 3%
- Moderate Assurance: 13%
- Not Disclosed: 0%

Assurance was provided through 38 unique assurance reports, assured as follows:

- Audit Firm: 63%
- Affiliated Firm: 0%
- Other Service Provider: 37%

Assurance Standards:

- ISAE 3000: 34%
- ISAE 3410: 3%
- National 3000: 0%
- AA 1000AS: 34%
- ISO 14064-3: 3%
90% (45) of the 50 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- **GRI**: 67%
- **SASB**: 11%
- **SDG**: 69%
- **TCFD**: 0%
- **UNGC**: 4%
- **Other**: 80%

Of the 45 companies that provided ESG Disclosures, 20% (9) received assurance as follows:

- **Limited Assurance**: 56%
- **Reasonable Assurance**: 0%
- **Moderate Assurance**: 44%
- **Not Disclosed**: 0%

Assurance was provided through 9 unique assurance reports, assured as follows:

- **Audit Firm**: 33%
- **Affiliated Firm**: 0%
- **Other Service Provider**: 67%

Assurance standards:

- **ISAE 3000**: 22%
- **ISAE 3410**: 11%
- **National 3000**: 4%
- **AA 1000AS**: 0%
- **ISO 14064-3**: 89%
- **Other**: 0%
98% (49) of the 50 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- **GRI**: 98%
- **SASB**: 16%
- **SDG**: 71%
- **TCFD**: 29%
- **UNGC**: 4%
- **Other**: 10%

Of the 49 companies that provided ESG Disclosures, 73% (36) received assurance as follows:

- **Limited Assurance**: 100%
- **Reasonable Assurance**: 0%
- **Moderate Assurance**: 0%
- **Not Disclosed**: 0%

Assurance was provided through 37 unique assurance reports, assured as follows:

- **Audit Firm**: 97%
- **Affiliated Firm**: 0%
- **Other Service Provider**: 3%

**Assurance Standard**:

- **ISAE 3000**: 97%
- **ISAE 3410**: 0%
- **National 3000**: 0%
- **AA 1000AS**: 0%
- **ISO 14064-3**: 3%
- **Other**: 0%
99% (99) of the 100 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- GRI: 62%
- SASB: 9%
- SDG: 86%
- TCFD: 36%
- UNGC: 10%
- Other: 42%

Of the 99 companies that provided ESG Disclosures, 47% (47) received assurance as follows:

- Limited Assurance: 90%
- Reasonable Assurance: 0%
- Moderate Assurance: 6%
- Not Disclosed: 4%

Assurance was provided through 51 unique assurance reports, assured as follows:

- Audit Firm: 10%
- Affiliated Firm: 53%
- Other Service Provider: 37%

Assurance Standards:

- ISAE 3000: 80%
- ISAE 3410: 61%
- National 3000: 6%
- AA 1000AS: 27%
- ISO 14064-3: 2%
- Other: 0%
78% (39) of the 50 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- **GRI**: 87%
- **SASB**: 18%
- **SDG**: 67%
- **TCFD**: 18%
- **UNGC**: 15%
- **Other**: 5%

Of the 39 companies that provided ESG Disclosures, 49% (19) received assurance as follows:

- **Limited Assurance**: 95%
- **Reasonable Assurance**: 0%
- **Moderate Assurance**: 0%
- **Not Disclosed**: 5%

Assurance was provided through 19 unique assurance reports, assured as follows:

- **Audit Firm**: 74%
- **Affiliated Firm**: 0%
- **Other Service Provider**: 26%

**Assurance Provider – Type of Firm**

- **ASSURANCE STANDARD**

- **ISAE 3000**: 89%
- **ISAE 3410**: NA
- **National 3000**: NA
- **AA 1000AS**: 5%
- **ISO 14064-3**: NA
- **Other**: NA
92% (46) of the 50 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- GRI: 78%
- SASB: 17%
- SDG: 76%
- TCFD: 22%
- UNGC: 15%
- Other: 28%

Of the 46 companies that provided ESG Disclosures, 33% (15) received assurance as follows:

- Limited Assurance: 0%
- Reasonable Assurance: 0%
- Moderate Assurance: 0%
- Not Disclosed: 0%

Assurance was provided through 15 unique assurance reports, assured as follows:

- Audit Firm: 93%
- Affiliated Firm: 0%
- Other Service Provider: 7%

Assurance Standards:

- ISAE 3000: 80%
- ISAE 3410: 13%
- National 3000: 0%
- AA 1000AS: 7%
- ISO 14064-3: 0%
52% (26) of the 50 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- **GRI**: 54%
- **SASB**: 8%
- **SDG**: 42%
- **TCFD**: 0%
- **UNGC**: 4%
- **Other**: 8%

Of the 26 companies that provided ESG Disclosures, 8% (2) received assurance as follows:

- **Limited Assurance**: 0%
- **Reasonable Assurance**: 0%
- **Moderate Assurance**: 0%
- **Not Disclosed**: 100%

Assurance was provided through 2 unique assurance reports, assured as follows:

<table>
<thead>
<tr>
<th>ASSURANCE PROVIDER – TYPE OF FIRM</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Firm</td>
<td>50</td>
</tr>
<tr>
<td>Affiliated Firm</td>
<td>50</td>
</tr>
<tr>
<td>Other Service Provider</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ASSURANCE STANDARD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>50%</strong></td>
</tr>
<tr>
<td>ISAE 3000</td>
</tr>
<tr>
<td>ISAE 3410</td>
</tr>
<tr>
<td>ISO 14064-3</td>
</tr>
</tbody>
</table>
96% (48) of the 50 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- GRI: 96%
- SASB: 8%
- SDG: 73%
- TCFD: 13%
- UNGC: 13%
- Other: 46%

Of the 48 companies that provided ESG Disclosures, 21% (10) received assurance as follows:

- Limited Assurance: 92%
- Reasonable Assurance: 8%
- Moderate Assurance: 0%
- Not Disclosed: 0%
- Not Assured: 79%

Assurance was provided through 13 unique assurance reports, assured as follows:

- Audit Firm: 54%
- Affiliated Firm: 0%
- Other Service Provider: 46%

Assurance Standards:

- ISAE 3000: 54%
- ISAE 3410: 38%
- National 3000: 15%
- AA 1000AS: 8%
- ISO 14064-3: 15%
- Other: 0%
100% (50) of the 50 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- **GRI**: 64%
- **SASB**: 2%
- **SDG**: 62%
- **TCFD**: 12%
- **UNGC**: 34%
- **Other**: 80%

Of the 50 companies that provided ESG Disclosures, 54% (27) received assurance as follows:

- **Limited Assurance**: 87%
- **Reasonable Assurance**: 10%
- **Moderate Assurance**: 3%
- **Not Disclosed**: 0%

Assurance was provided through 30 unique assurance reports, assured as follows:

- **Audit Firm**: 60%
- **Affiliated Firm**: 7%
- **Other Service Provider**: 33%

**ASSURANCE STANDARD**

- **ISAE 3000**: 83%
- **ISAE 3410**: 53%
- **National 3000**: 7%
- **AA 1000AS**: 10%
- **ISO 14064-3**: 3%
92% (46) of the 50 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- **GRI**: 93%
- **SASB**: 30%
- **SDG**: 91%
- **TCFD**: 24%
- **UNGC**: 24%
- **Other**: 30%

Of the 46 companies that provided ESG Disclosures, 93% (43) received assurance as follows:

- **Limited Assurance**: 20%
- **Reasonable Assurance**: 18%
- **Moderate Assurance**: 58%
- **Not Disclosed**: 4%

All instances of reasonable assurance in South Korea are related to greenhouse gas reports.
96% (48) of the 50 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- **GRI**: 94%
- **SASB**: 15%
- **SDG**: 83%
- **TCFD**: 38%
- **UNGC**: 6%
- **Other**: 10%

Of the 48 companies that provided ESG Disclosures, 85% (41) received assurance as follows:

- **Limited Assurance**: 4%
- **Reasonable Assurance**: 0%
- **Moderate Assurance**: 0%
- **Not Disclosed**: 0%

Assurance was provided through 44 unique assurance reports, assured as follows:

- **Audit Firm**: 93%
- **Affiliated Firm**: 0%
- **Other Service Provider**: 7%

**Assurance Standard**

- **ISAE 3000**: 89%
- **ISAE 3410**: 5%
- **National 3000**: 20%
- **AA 1000AS**: 2%
- **ISO 14064-3**: 0%

72% (36) of the 50 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- **GRI**: 64%
- **SASB**: 17%
- **SDG**: 47%
- **TCFD**: 6%
- **UNGC**: 8%
- **Other**: 17%

Of the 36 companies that provided ESG Disclosures, 33% (12) received assurance as follows:

- **Audit Firm**: 62%
- **Affiliated Firm**: 0%
- **Other Service Provider**: 38%

Assurance was provided through 13 unique assurance reports, assured as follows:

- **Assurance Standard**
  - ISAE 3000: 54%
  - ISAE 3410: 8%
  - National 3000: 8%
  - AA 1000AS: 31%
  - ISO 14064-3: 0%
  - Other: 0%

**Region: OTHER EMEA**

- **Turkey**: 38%
99% (99) of the 100 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- **GRI**: 37%
- **SASB**: 14%
- **SDG**: 62%
- **TCFD**: 43%
- **UNGC**: 8%
- **Other**: 29%

Of the 99 companies that provided ESG Disclosures, 55% (54) received assurance as follows:

- **Limited Assurance**: 97%
- **Reasonable Assurance**: 3%
- **Moderate Assurance**: 0%
- **Not Disclosed**: 0%

Assurance was provided through 58 unique assurance reports, assured as follows:

- **Audit Firm**: 52%
- **Affiliated Firm**: 1%
- **Other Service Provider**: 47%

The assurance standard was as follows:

- **ISAE 3000**: 78%
- **ISAE 3410**: 40%
- **National 3000**: 5%
- **AA 1000AS**: 21%
- **ISO 14064-3**: 5%
- **Other**: 0%
99% (99) of the 100 companies reviewed provided ESG Disclosures using the following ESG Reporting Framework/Standard:

- GRI: 59%
- SASB: 48%
- SDG: 48%
- TCFD: 31%
- UNGC: 10%
- Other: 11%

Of the 99 companies that provided ESG Disclosures, 71% (70) received assurance as follows:

- Limited Assurance: 77%
- Reasonable Assurance: 12%
- Moderate Assurance: 7%
- Not Disclosed: 4%

Assurance was provided through 81 unique assurance reports, assured as follows:

- Audit Firm: 11%
- Affiliated Firm: 0%
- Other Service Provider: 89%

- Assurance: 71%
- No Assurance: 29%

In the USA, “Other” refers to the AICPA Attestation Standards.
METHODOLOGY
The purpose of this project was to understand environmental, social, and governance (ESG, or sustainability) assurance practices on a global basis. This was accomplished by reviewing reports containing ESG information in twenty-two (22) Jurisdictions. These countries included:

This study reviewed the largest companies in each jurisdiction by market capitalization as of approximately March 22, 2021, and attributed to jurisdictions based on the location of the company’s headquarters. The largest 50 companies were reviewed in 16 jurisdictions, while the largest 100 companies were reviewed in the largest six economies (denoted with an asterisk).

### DATA COLLECTION METHODOLOGY

#### REPORT COLLECTION

Reports were usually located in one of four locations on a company's website.

1. Dedicated sustainability web page for stakeholders
2. Sustainability web page under “About the Company” section
3. Annual reports or downloads section of Investor Relations web page
4. Sustainability section of Investor Relations web page

If a report could not be located on a company's website, the company name was searched with the term "2019 sustainability report." If a report was still not located, the company was searched in the GRI Database of sustainability reports. For Hong Kong Stock Exchange (HKEx) listed companies, the exchange website was used to collect reports if a report could not be found on a company's website. This only impacted companies located in China (Mainland) and Hong Kong S.A.R.

When available, reports that covered the year 2019 were collected. If the 2019 report was unavailable, the 2018 or 2020 report was collected. Nineteen (19) reports were collected covering 2018 and thirty (30) reports covering 2020. One thousand two hundred twenty (1,220) reports covering 2019 were collected. There was a total of one thousand two hundred sixty-nine (1,269) reports collected.
Reporting standards were collected from the “About this report” section. Both reporting standards and reporting frameworks were captured due to inconsistent disclosure regarding their use as standards or frameworks. Next, any standards or frameworks indexed in the appendix were collected. Finally, a text search for the Global Reporting Initiative (GRI), Sustainable Accounting Standards Board (SASB), United Nations Sustainable Development Goals (SDG), United Nations Global Compact (UNGC), and Taskforce on Climate-related Financial Disclosures (TCFD) was used to find additional references within the body of the report.

Standards and frameworks must have been used to report primary information to stakeholders. For example, Climate Disclosure Project (CDP) was often disclosed in reference to a CDP score. Instances where a CDP score was provided, but no primary information (such as emissions) was disclosed, were not counted.

A company was determined to have assurance if an assurance report that covered ESG data was included within a report, on the company’s website, or in the CDP database. References to assurance where the report was not available and verification statements were not counted.

If a report included more than one assurance report, each report was reviewed separately.